



Natick Finance Committee

Pursuant to Chapter 40, Section 3 of the Town of Natick By-Laws, I attest that the attached copy is the approved copy of the minutes for the following meeting:

Town of Natick Finance Committee
Meeting Date: March 18, 2014

The minutes were approved through the following action:

Motion:	Approval as amended
Made by:	Mr. Pierce
Seconded by:	Mr. Ciccariello
Vote:	6-0-0
Date:	April 8, 2014

Respectfully submitted,

James Everett
Secretary
Natick Finance Committee

NATICK FINANCE COMMITTEE MEETING MINUTES

March 18, 2014

**Natick Town Hall
School Committee Meeting Room, Third Floor**

This meeting has been properly posted as required by law.

MEMBERS PRESENT:

Jonathan Freedman, Chairman	Michael Ferrari
John Ciccariello	Mark Kelleher
Bruce Evans, Vice Chairman	James Everett, Clerk
Karen Adelman Foster	Cathleen Collins
Patrick Hayes	Jerry Pierce

MEMBERS ABSENT:

Jimmy Brown
Catherine Coughlin
Mari Barrera
Christopher Resmini
Edward Shooshanian

ATTACHMENTS:

- A. Agenda for this evening's meeting
- B. Finance Committee Hearing Schedule Changes
- C. Town of Natick Deputy Fire Chief's Association, Local 1707, IAFF, AFL-CIO Memorandum of Agreement (2 pgs)
- D. Town of Natick Local 1707, International Association of Firefighters, AFL-CIO Memorandum of Agreement (3 pgs)
- E. Handout re: Article 12: Amend Zoning By-Laws: medical Marijuana Treatment Centers (Town Administrator) (Redline) 4 pgs
- F. Handout: Overlay Map

Meeting was called to order by Mr. Freedman at 7:11 p.m.

The Chairman reviewed the evening's agenda and the materials included in the handouts. He also invited members and attendees to discuss any items that are not on the agenda.

PUBLIC CONCERNS/COMMENTS:

Mr. Pierce would like to have mentioned, for the public's interest, the special employee designation the Fin Com members now have.

In response Mr. Freedman noted, that the Selectmen were going to consider voting the Finance Committee members as special municipal employees which allows a member of the Finance Committee to work for the town on a very limited basis. Mr. Ciccariello is under consideration for a project management role with respect to the dispatch center renovation. In order for Mr. Ciccariello to continue on the Finance Committee and work for the town in that capacity, he needed to be appointed a special municipal employee. Under the rules, it's not the individual that's appointed, it's the position. Because Mr. Ciccariello is a Finance Committee member, the entire Finance Committee needed to be designated in this way. This is an administrative function only for all except Mr. Ciccariello.

Town of Natick is establishing a Fire Chief screening committee. One of the positions on that committee is a Finance Committee member. Please put your name forward by March 28th if you're interested in being appointed.

Mr. Evans gave a brief update on a meeting of the Financial Planning Committee that took place the morning of March 18th.

The committee reviewed the Budget Balancing Plan for FY2015, version four. The current situation is that the budget is in balance at the current moment with the following caveats:

- Municipal surplus of \$99,281; and
- Natick Public Schools deficit of \$99,282.

Changes include a decrease in revenues and other reserves by \$300,000; decreased capital by \$359,300; decreased the overlay reserve (assessments) by \$100,000; decreased shared expenses (removal of one DPW headcount); and reduction of the estimates for the health care coverage tiers and reserves (there was little utilization of tier 1 to tier 2 plans so estimates could be reduced).

Further review of handout –

--the Fire Department Collective Bargaining is included in the Board of Selectmen budget;

--proposed Natick Public School budget of \$51,495,000.00 includes 7.4 incremental FTE's compared with the original 25 FTE's.

According to the Town Administrator it's a very difficult year to balance the budget because of the demand for increased services, many of which are mandated. The School Committee met on March 17, 2014, expressed sincere appreciation that the town administration pulled out all the stops to achieve a balanced budget but did not vote to approve this budget. They are meeting Thursday, March 20th, prior to the Finance Committee meeting to agree on a budget recommendation. Concerns that critical positions of guidance counselors, PT and OT behaviorist positions were not included in the FY2015 budget.

Another item that was discussed at this meeting was the financing through the end of FY2014. The Deputy Town Administrator believes that funding for veteran's services is sufficient through the end of the fiscal year. He is concerned about the level of funding required for the fire department overtime through the end of FY2014. In the past few years a transfer to cover fire department overtime has been necessary. Hopefully, once the newly activated firefighters are available for duty, the end-of-year financial pressure will be reduced or eliminated. The committee expressed concern about further tapping into free cash to cover operational budget deficits. The town needs to either pare costs or increase revenues.

Questions and comments from committee members for points of clarification were as follows:

- The pie chart on the handout is a representation of the starting point of the split between school and municipal budgets. Because the budgets for 2015 are not completely voted by town meeting this year it can be updated to reflect 2015.
- Overlay reserve is not an appropriation by town meeting, it's an administrative action. Typically the reserve is 1.3 million although it has been determined that 1.2 million is sufficient. Anything that we do not need in any particular fiscal year moves to overlay surplus.
- Committee members would like to have the previous budget balancing plan handout (or version 3) to compare the two.
- With respect to the changed capital that effected both sides of the budget as a \$359,300 wash; this resulted from a vote on capital that reduced the projected expense coming from the capital stabilization fund which by virtue of accounting principles affects the revenue side of that fund as well. No money has been taken from the capital expense stabilization fund or additional free cash to fund the school budget.
- School Committee meets on the 20th at 6:00 p.m.; Selectmen meet at 6:30 p.m.

MEETING MINUTES:

None.

NEW BUSINESS:**Snow Removal Overdraft Request**

Rescheduled by agreement between Mr. Freedman and Ms. White.

OLD BUSINESS:**Hearing Schedule Changes**

Article 18 homeless student transportation subsidy has been added to this list for reconsideration.

Department of Public Works has been added for reconsideration on the budget side.

A more updated list than members have in hand has been posted.

Any item on the schedule is slated for choice of action by the committee. This is a good faith attempt to meet the requirements of the open meeting law to make it clear what we might be considering during that meeting. The committee may decide not to take up some of the listed items.

SubCommittee Updates

None.

Motion to open the public hearing of the 2014 Spring Annual Town Meeting Warrant

Moved/Motioned by:	Ms. Collins
Seconded by:	Mr. Pierce
Motions or Debates:	None
Vote	10-0-0 (Unanimous)

Re-Open Public Hearing 2014 Spring Annual Town Meeting Warrant**Article 22: Collective Bargaining**

Mr. Freedman invited Ms. White, Town Administrator to review Article 22..

The contracts for the fire fighters and the deputy chiefs are the only two contracts for the period of FY12 through FY14 that had not yet settled until now. Although they are settled, the numbers are not available tonight because the calculations for required retroactive pay and FY15 budget needs require highly complicated calculation.

The terms of the agreement for the firefighters are summarized as follows:

- In the past, firefighters could defer prime time vacation and get a paid for that time and then move non-prime time vacation time back into the prime-time period. A change has been negotiated: firefighters can still “sell” up to two weeks primetime vacation for a payment of \$600.00 per week, however, they cannot move other vacation time into a prime-time slot afterwards. This change will ultimately save on overtime costs. (*Article XVI, § 2*)
- Removed an unnecessary step in the grievance process and increased administration’s response time to ten days. (*Article VII—Grievance*)
- Stipends for fire prevention, training officers and paramedic coordinators were increased by \$1,000.00. (*Article XI—Wages*)
- Increase maximum amount from \$2,000 for 20 hours to \$3,000 for 30 hours. This is not an increase per hour just an increase in hours allowed. Also, members on sick or injury leave could be reimbursed for education hours taken during that time unless the education interfered with recovery. Also, after 20 years of service, paramedics are no longer required to ride the ambulance unless they are filling in for another paramedic or working an overtime shift subject to the deputy’s discretion and/or calling in another paramedic who would use overtime hours. In all cases they would have to serve on the ambulance during their shift rather than call in overtime to do so. (*Article XXIX—Educational Incentive*)
- Contradictory language regarding the shift commander’s contract language was changed. (*Article XI, Section 6*)
- Changed date of contributions to sick leave bank to June. (*Article XIV-A, Section 2*)
- Up to 8 vacation shifts may be carried over from one calendar year to the next. (*Article XVI, Section 28*)
- Up to 20 days of military leave required by orders may be taken annually. (*XVII, Section 1*)
- Wage raises: FY13: 1%; FY14: 2.5%; and FY15: 1% plus 0.5% on June 30, 2015. (*Article XI, Section 1*)
- Health Insurance changes: New enrollees (both family and individual) changed 75/25 as of contract signing (in effect right now); All members to 75/25 as of June 30, 2015. (*Article XI, Section 3*)
- Water Rescue Stipend: Increased from 1.5% to 2.0% and added to base pay. (*Article XXXI, Section 3*)
- Longevity: Members with 25 or more years of service get \$500 added to 5% of base pay existing stipend – retroactive to the start of the contract.

Future payment schedule is issuance on December first. (*Article XI, Section 8*)

- Educational Incentive: Deleting the incentive for 30 credit hours because 30 hours earns less than an Associate's Degree. (Members who have earned this incentive as of 6/30/15 are grandfathered at 30 credit hours). Existing educational incentive (Associates 5%, Bachelor's 8%, Master's 10%) for members who have earned an Associate's, Bachelor's or Master's Degree is increased by 1%. (*Article XXIX, Sections 3 and 1*)
- Modified Duty: Substituted language to reflect office vs. shift schedule. (*Article XXXIII*)

Questions and comments from committee members were as follows:

- The difference between educational stipends and educational incentives is that stipends are for expenses and incentives are for credit hours. Credit and Course hours are the same.
- If less than 17 fire personnel are working spread over the four stations in Natick, on any given shift, employees are called in and overtime is used.
- Water rescue applies to all personnel. Everyone is trained and everyone gets an increase of 2% to their base pay.
- On health insurance ,75/25 was the target for this round of collective bargaining – all but one of the unions and non-union are at 75/25 that was the goal.
- If stipends are a guaranteed pay they impact retirement and if they are added to base pay they impact retirement as well. The only things that don't count against retirement are reimbursements or overtime. Cost of living increases are affected by adding stipends to base pay. But cost of living increases were pretty reasonable and in this round of negotiations only one of the stipends was added to base pay.
- The process should include thinking about how any cost of living increases will have future impact on retirement. Historically the town has not taken this specific variable into consideration.
- From the management perspective the achievements of these negotiations include the health insurance changes; reasonable cost of living increases; and prime-time vacation change. The money for any retroactive financial obligations for FY13 and FY14 contracts has been set aside in the selectmen's budget to be released after contracts are signed.
- The twenty-year conditional moratorium for paramedics regarding ambulance shifts was troublesome to negotiate but once the explanation of the job stresses was taken into consideration, it was able to be settled fairly.

- Water rescue stipend is an across-the-board 2% stipend added to base pay. In the past it was 1.5% and not added to base pay. The paragraph describing this benefit implies “specialized water rescue training” as a definition. It appears, however, that there is no specific level of water safety certification required to actually get this stipend. This may still be unclear.

The terms of the agreement for the Deputy Chief are very similar to the Firefighters agreement terms. The differences are summarized by Ms. White as follows:

- Deputies do not have the option of moving their prime-time vacation assignments around. They do have the option of selling their prime-time vacation days as the firefighters. (*Article VII Vacations*)
- Administrative Deputy stipend was increased by \$1,000. (*Article XIV*)
- Increase maximum amount from \$4,200 for 36 hours to \$4,900 for 42 hours with the same other requirements as firefighters. (*XXII, Section 2*)
- Date of sick leave contributions changed from July to June. (*Article IX*)
- Up to eight vacation shifts can be carried over from year to year. (*Article VII*)
- Wage raises: FY13: 1%; FY14: 2.5%; and FY15: 1% plus 0.5% on June 30, 2015. (*Article XIV*)
- Health Insurance changes: New enrollees (both family and individual) changed 75/25 as of contract signing (in effect right now); All members to 75/25 as of June 30, 2015. (*Article XII*)
- Stand By Pay: Increased from 1.5% to 2.0% and added to base pay. (*Article XVI-A*)
- Longevity: Members with 25 or more years of service get \$500 added to 5% of base pay existing stipend – retroactive to the start of the contract. Future payment schedule is issuance on December first. (*Article XVII*)
- Educational Incentive: Deleting the incentive for 30 credit hours because 30 hours earns less than an Associate’s Degree. (Members who have earned this incentive as of 6/30/15 are grandfathered at 30 credit hours). Existing educational incentive (Associates 5%, Bachelor’s 8%, Master’s 10%) for members who have earned an Associate’s, Bachelor’s or Master’s Degree is increased by 1%. (*Article XXII*)

Questions and comments from committee members were as follows:

- Four of the deputies are on shift duty and the fifth is an administrative deputy who is responsible to support the Chief and does the shift work when another deputy is absent.

- The reason for changes being made on the last day of the contract is because they are negotiating only this contract period. Some of these changes end up being retroactive and others are brought into the next contract period. Collective bargaining law is complex and sometimes the changes do not impact a current contract but instead become the basis of negotiating the next contract.
- Normally the necessary dollars are requested to support an article like Article 22 but the town administration does not have exact calculations ready. The discussion at this meeting is to make the committee aware of the details so the actual vote will take less time when the numbers are finalized.
- After the contract expires on June 30, 2015, the terms of this contract, if approved, remain in effect until a new agreement is reached.

Result of committee logistical procedural discussion between Mr. Freedman and Mr. Everett concluded that if a decision on this Article is postponed until March 25, 2014, the fire department, board of selectmen and omnibus budgets may have to wait as well.

Confirmation that the Finance Committee can and will meet at 8:00 p.m. on Tuesday, March 25, 2014.

Move that the Finance Committee take favorable action regarding postponing Article 22 until March 25, 2014

Moved/Motioned by:	Mr. Everett
Seconded by:	Ms. Collins
Motions or Debates:	None
Vote	10-0-0 (Unanimous)

Article 27: Stabilization Fund

Administration is asking for no action at this time.

- Mr. Freedman: Blanket request of the administration to provide committee with the current balances of each of those – in a similar format as last year if possible.
- These 3 Articles are for putting money in to the subject stabilization funds of each, money coming out will be voted under the capital articles by a two-thirds majority.

Move that the Finance Committee take favorable action regarding the administration's request for no action on Article 27 at this time.

Moved/Motioned by:	Ms. Collins
Seconded by:	Mr. Pierce
Motions or Debates:	None
Vote	10-0-0 (Unanimous)

Article 28: Capital Stabilization Fund

Administration is asking for no action at this time.

Move that the Finance Committee take favorable action regarding the administration's request for no action on Article 28 at this time.

Moved/Motioned by:	Ms. Collins
Seconded by:	Mr. Pierce
Motions or Debates:	None
Vote	10-0-0 (Unanimous)

Article 29: Capital Stabilization Fund

Administration is asking for no action at this time.

Move that the Finance Committee take favorable action regarding the administration's request for no action on Article 29 at this time.

Moved/Motioned by:	Ms. Collins
Seconded by:	Mr. Pierce
Motions or Debates:	None
Vote	10-0-0 (Unanimous)

Article 12: Amend Zoning By-Laws: Medical Marijuana Treatment Centers

Mr. Freedman: Article 12 is a proposal to amend the zoning by-laws in order to create a new by-law. This is not a request to amend an existing article of the zoning by-laws. This redline will form the basis of the actual motion that will go in front of town meeting.

Mr. Freedman welcomed Natick Community Development Director, Patrick Reffett and Natick Planning Board Member Julian Munnich to the podium to further discuss Medical Marijuana Treatment Center zoning issues.

State Department of Health has been behind on state regulations giving guidance to towns with respect to zoning and other regulations surrounding the medical marijuana issues. Last spring town meeting voted for a moratorium which concludes at the end June 2014. Article 11 requested that the existing moratorium continue until we have a new medical marijuana medical treatment center by-law or the Attorney General approves it. This gives the town the ability to make regulations around where these facilities can be located.

A working group was created a year ago comprised of the Town Administrator, Town Counsel, Planning Board Chairman, Chief of Police, Board of Health Director and Natick Community Development Director, Patrick Reffett. The redlined document provided to the Finance Committee at this meeting was crafted by Natick Town Counsel and modeled after an accepted, adopted by-law created for the Town of Dennis, Massachusetts. It was reviewed and discussed at two Planning Board public hearings and approved by the Board of Selectmen.

Article 12 proposes that medical marijuana treatment centers be within the general area of the Natick Mall and Sherwood Plaza which is illustrated on a provided map. The Article also allows for a special permit process via Planning Board review that is an inclusive, directed public hearing process. Specific language in the Article includes, hours, size and location of operation.

The area was chosen because it was formerly chosen for adult entertainment zoning purposes and has proven to be successful relative to management of that use. The police department feels that this is good area to manage for the kind of calls that might come up as a result of this kind of use. The Board of Health has a 12-page document called the Natick Board of Health Regulations Regulating the Sale of Medical Marijuana which is very in-depth and crafted in tandem with Article 12 to provide good coverage of the issue.

Mr. Freedman welcomed Mr. Julien Munnich, member of Natick Planning Board to speak on this issue.

The Planning Board concluded its hearing on Article 12 recently and since last year there has been guidance from the State Board of Health and the Attorney General's office regarding medical marijuana dispensaries. Zoning by-laws can only address issues like commercial operations and placement of the dispensary. This illustrates the importance of the Board of Health drafting a tandem set of regulations to protect the town and its citizens regarding this type of business.

The Planning Board voted that there be five elements of change to the Article as it appears in the Warrant:

1. To capitalize the term Registered Marijuana Dispensary to confirm that it is a defined term in the State Statute.
2. Scrivener corrections – in the validity clause the word “enforceable” was replaced with the word “unenforceable.”

3. On page 2 in section 323.8.4.3, the word “promises” is replaced with the word “premises.”
4. Material changes – in section 323.8.5.2 subsection H, the Planning Board recommends inserting the words deliveries and transfers. The importance of this allows the special permitting process to dictate that deliveries need to keep off public ways and that transfer of goods are limited to on-site and within the security systems of the operation.
5. Final change to delete the words in section 323.8.4.8, “or a house of worship, or a school, playground or daycare facility.” This is too broad of a restriction to add to this Article. The concern is not warranted given that this is a medical dispensary and other types of concerns with similar operational materials, are not singled out in this way.

Questions and comments from committee members were as follows:

- Definitions under 323.8.3 have problems with the educational materials language and defines the dispensary as a treatment center. The language implies that anyone who supplies educational materials regarding medical marijuana would qualify as a “treatment center.” There is a technical question about ambiguity in the grammar in this paragraph that insinuates an unintended meaning.

Take away: Please verify that we have a dispensary not a treatment center by reviewing the language.
- The numbering system used in this redline and the ensuing article has not been broadly instituted yet by the zoning board. Currently zoning by-laws are numbered in an old-fashioned way and already mixed with the new “decimal system” numbering style. In fact, many of the mall regulations are already written this way and this was drafted to be consistent. It is problematic but is being used currently and beyond the control of this committee and speaker.
- The Planning Board has confirmed that there’s more than enough space in the designated area to locate a business of this type. They actually wanted to make sure this type of business is located in a more prominent place, not hidden away where it couldn’t be visible to all including law enforcement.
- Dover Amendment defines where Marijuana Dispensaries may be in certain places. Concern around minimizing adverse impacts on places where children congregate were discussed. Language that is proposed in 323.8.4.8 is creating a legal non-conforming use within this district which is not an uncommon situation in a community of the age of Natick. The area is an industrial park and businesses that locate there are or should be

aware that the zoning includes industrial processes using hazardous materials.

- Route 9 corridor was considered, but it was more residential than the chosen area and the police were concerned about the ease of access to the area.
- The moratorium will be in place until December 31, 2014 unless this Article is accepted by town meeting and the Attorney General's office sooner. Moratorium will lapse at that acceptance.
- Residential units around the mall are separated from the commercial units.

Move that the Finance Committee take favorable action and recommend approval to amend zoning by-laws by adding a new section 323.8 Registered Marijuana Dispensaries

Moved/Motioned by:	Mr. Evans
Seconded by:	Ms. Adelman Foster
Motions or Debates:	<p>Mr. Evans thanks planning board and community development office for all the work that has gone into this consideration. There's no place in Natick that will be 100 % available for this type of business but this gets us as close as possible given our size and our age.</p> <p>Ms. Adelman Foster also appreciates the effort that has gone into this article and provided the grammatical issues are solved is in favor. Many people are of two minds about the larger issue of medical marijuana – there is concern about possible misuse but also an understanding that many very ill people find relief from this treatment and we may not want to consign people with legitimate need to an “adult zone.” It's a multi-faceted issue and she supports the article and appreciates the efforts to sort out the difficult issues surrounding this subject.</p> <p>Mr. Pierce appreciates all the information provided to the residents and the board of health's involvement and thanks planning board for their efforts.</p> <p>Mr. Ferrari supports the proposal at this point but remains concerned that the 300 foot proviso is being removed. He is still wondering if this proviso which intends to minimize any adverse impacts on children shouldn't be included in order to err on the side of caution. He would welcome any concerns in the vein being voiced at the upcoming town meeting.</p>

	<p>Ms. Collins supporting at this time, however, as a chronic pain sufferer she sees this as a possible up and coming solution for many people. There really are not that many places within the designated area to locate a business of this kind. We may find out that with adequate security and experience there may be no threat or concern with dispensaries and, that in fact they may bring positive instead of the perceived negative influence to the town. She would like to see consideration and flexibility in the future to changing the zoning to include more areas.</p> <p>Mr. Hayes has similar sentiments as Ms. Collins but he is not going to vote favorably on this right now. Philosophically he disagrees with the requirement of 2,500 square feet minimum and the narrowness of the by-law and maybe we should have found a couple of more locations to choose from for both citizens and retailers.</p> <p>Mr. Everett noted that the state has approved, through voter referendum, treatment centers being allowed and the use of medical marijuana. If we do not put controls in early, placement of these centers could happen without controls. We don't want the state deciding these things for us. Depending on circumstances and experience, there could be more locations in the future. But voting controls can only benefit the town because it precludes the state from dictating regulations to the town. We can always review or change this later.</p>
Vote	8-1-1

Move to close public hearing on warrant articles.

Moved/Motioned by:	Mr. Everett
Seconded by:	Ms. Collins
Motions or Debates:	None.
Vote	10-0-0 (Unanimous)

Move to adjourn at 9:13 p.m.

Moved/Motioned by:	Mr. Pierce
Seconded by:	Mr. Evans
Motions or Debates:	None.
Vote	10-0-0 (Unanimous)